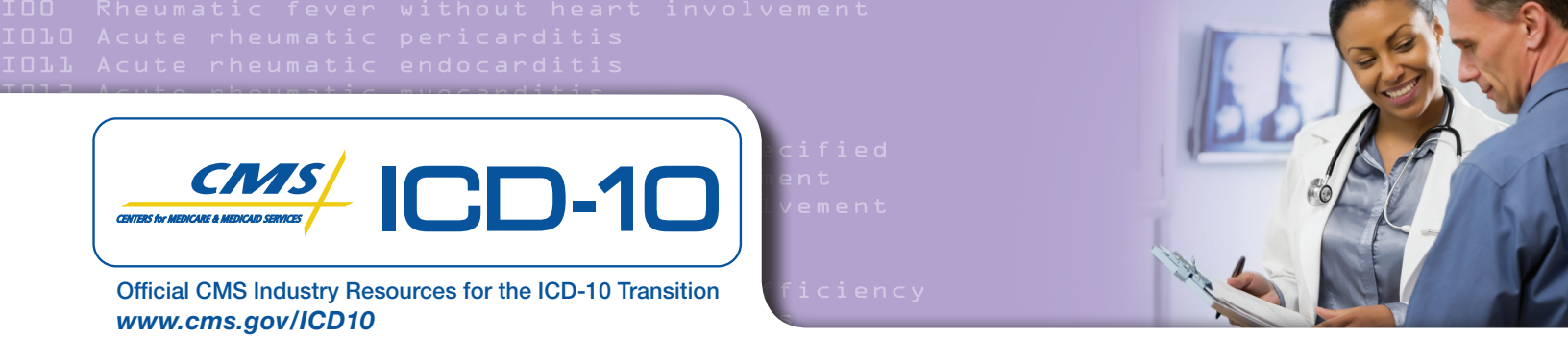


Official CMS Industry Resources for the ICD-10 Transition
www.cms.gov/ICD10

Version 5010:
Testing Readiness, What You Need to Know

On **January 1, 2012**, the Version 4010/4010A electronic transaction standards used to send administrative transactions will be replaced with the upgraded Version 5010 standards. After this time, the Centers for Medicare & Medicaid Services (CMS) will no longer accept transactions in the Version 4010 format.

All health care providers that are covered entities under the Health Insurance Portability and Accountability Act (HIPAA) are required to comply with the new standards. This means providers, payers, vendors, and clearinghouses must be ready to implement the Version 5010 transaction standards on **January 1, 2012**. Unlike the current Version 4010/4010A1, Version 5010 accommodates the ICD-10 codes, and must be in place first before the changeover to ICD-10. Version 5010 has the ability to tell your practice management or other system that you are using an ICD-10 versus an ICD-9 code. The Version 5010 change occurs well before the ICD-10 implementation date to allow adequate time for Version 5010 testing and implementation.

A key step in preparing your office for this upgrade is testing transactions in the new Version 5010 format. Testing transactions using Version 5010 standards will assure that you are able to send and receive compliant transactions effectively. Testing will allow you to identify any potential issues, and address them in advance of the **January 1, 2012** compliance date.

Who Should Test?

All HIPAA covered entities that submit transactions electronically are required to upgrade to the Version 5010 transaction standards, and should conduct testing both internally, and with external business partners in preparation for the **January 1, 2012** compliance deadline.

Who is a Covered Entity?

- Providers- physicians, including alternate site providers
- Payers
- Health care clearinghouses
- Pharmacies
- Health plans

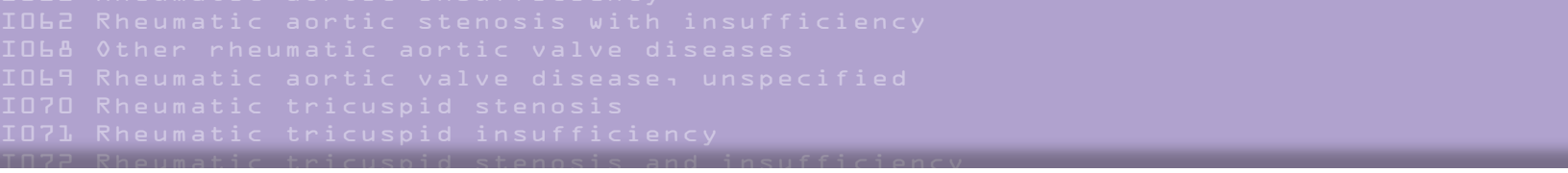
Where to Start?

Level I: Internal Testing (Take Action Now)

The first step in testing can begin as soon as your software has been upgraded. CMS suggested completing a thorough internal testing of your upgraded transaction systems by December 31, 2010. Internal testing allows you to identify and address any potential issues that may arise in advance of testing with external business partners. If you have not yet done so, take action now to complete your internal testing as soon as possible to ensure a smooth transition and begin external testing.

Level II: External Testing (12 months)

After you have completed internal testing, you can begin sending test data to your external business partners to ensure a smooth transition. Identify the partners you currently conduct transactions with, and create a schedule and timeline for external testing with each partner. Identify priority partners to conduct testing with if you trade with a large number of business partners.



Which Business Partners Would be Included in External Testing?

- Billing services
- Clearinghouses
- Pharmacies
- Entities responsible for coverage and benefit determinations
- Payers

Confirm that your business partners are also engaged in testing with other external partners with whom they may work. This is crucial to completing comprehensive testing. Allow for sufficient time to train, and practice with staff using the new transactions.

Which Transactions to Test?

Test transactions that you currently use on a daily basis such as:

- Claims
- Eligibility determinations
- Remittances
- Referral authorizations

CMS has resources available to help you in the transition process – even help you get the conversation started with your business partners if you haven't already. Go to our Web site, www.cms.gov/ICD10 , for Provider and Vendor Resource pages that include fact sheets with tips on asking each other the right questions.

Testing with Medicare

The Medicare Fee-for-Service (FFS) program is accepting claims in both test and production mode using the errata Version 5010 standard (an X-12 updated version featuring corrections). You can begin to test your transactions with Medicare now, and up until the **January 1, 2012** mandatory compliance date.

After **January 1, 2012**, Medicare will no longer accept transactions using the Version 4010 standards. Don't wait; begin testing as soon as possible to help reduce risk and avoid any last-minute rush to test with your business partners. Most importantly, test now to ensure there are no interruptions in your claim remittances or payments.

Keep Up to Date on Version 5010 and ICD-10

Please visit www.cms.gov/ICD10 for the latest news and sign up for Version 5010 and ICD-10 e-mail updates.